

THE INTERNATIONAL BANKNOTE
SOCIETY

Quarterly Magazine

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Essex, England.

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President.

The first President of the Society is Dr. Walter M. Loeb, M.D., of the United States, who is well known to all serious collectors of banknotes throughout the world.

Membership Subscription
£1. 1s. Od.

AIMS OF THE SOCIETY

It has long been felt that there is a need for a Society such as this, run on a completely non-profit making basis, and conducted democratically by Members' votes.

Our aim is to give every encouragement to collectors of paper money and to provide for them an organisation in which they can get to know one another.

It is our intention to protect Members from any attempts by dishonest people to try and sell forgeries or reprints as genuine notes. Here, action by an entire organisation can be very effective.

We intend to produce in magazine form, articles and information by Members and of use to members. We shall run postal auctions and an expert Committee to identify Members' notes.

The Society is very young: it is open to any suggestions. In 1962, Members will be asked to elect officers.

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The Society's Bankers are Barclays.
All cheques can be made payable to 'International Banknote Society' or to the Secretary, C.C. Narbeth.

Devil's Head Bills: The first issue of these 1954 dated bills has at the side of the Queen's head a devil's head in the hair. Whether this was accidental in the engraving or a deliberate piece of propaganda against the Queen has not yet been ascertained. At all events the issue was withdrawn as soon as it was detected and the new notes had the devil's head retouched out. Banks have instructions to withdraw all devil's head notes on sight and they will undoubtedly increase in value.

Asterisk Notes: It has been estimated that the ratio of asterisk notes in Canada is one in 7,000 against the U.S.A. one in a thousand. The Canadian notes are fetching as much as 4.00.

RARE NOTES OFFERED FOR SALE BY

DR. KELLER

(Berlin-Wittenau, Triftsrasse 64)

Danzig Bank von Danzig, set of 8 from 10 Gulden to 1,000 dated from 1924 to 1937... 100 Deutsche Marks.

Persia Reichsbank notes overstruck 1916
12 Kran . . . 50 D.M. 25 Kran ... 50 D.M.

German East Africa 15.6.1905 5 Rupien . . . 20 D.M.

German 1.11.23 5 Billion . . 10.0. D.M.
large 10 Billion . . 15.0. D.M.
small 10 Billion . . 12.0. D.M.
26.10.23 100 Billion . . 130.0. D.M.
24 10 Billion . . 12.0. D.M.
20 Billion . . 28.0. D.M.
50 Billion . . 65.0. D.M.

ADVERTS Dealers and non-members £1 a page
10/- half page or
1/- for 10 words
Members half price.

BANK OF ENGLAND NOTES

The Bank of England was founded in 1694 during the reign of William and Mary to provide funds for King William III in his war against Louis XIV

The first notes were written by hand and were mostly for £50 each and none were less than £20. Copper plates were used in 1695 but still the amount and the signature were written by hand. In 1759 notes were issued for £10 and £15 and in 1793 notes for five pounds made their appearance. It was not until 1797 that one and two pound notes were issued.

In 1802 the bank issued £1,000 notes.

It is interesting to note that the very first notes were printed on paper purchased from a stationer. They were easily forged and were soon called in. The next issue was on paper made at Sutton Mills, Abingdon. These had no watermark and the paper was made on a laid wire mould.

The 'white fiver' as it is called was printed on electrotypes plates on pure rag paper, which has been manufactured for over two hundred years at Laverstoke Mill, Whitchurch, Hants by Portals Ltd., successors of Henri Portal, a Huguenot refugee who in 1724 became paper-maker to the Bank of England.

Watermarked notes first appeared in 1725.

£1,000 notes were the highest ever issued to the public. The famous million pound notes did exist, but were used only for internal circulation, balancing account's in the Bank's Treasury. Notes of £100,000 were also used in this way.

The amount of notes in circulation in England in August, 1939 was £529,499,000. By March, 1944 this had risen to £1,090,601,022.

NAZI FORGED BANK OF ENGLAND NOTES

Last year it began to look as if the mystery that surrounds the Nazi forgeries of the Bank of England would be unravelled. The 'Daily Mail' reported 'A five-nation hunt is on for an international currency ring believed to be handling £25,000,000 of the best forged British notes the Bank of England has 'seen'. But that was on September 9th, 1960. Nothing further has happened.

We know that Himmler gathered all the prisoners sentenced for forging banknotes and put them in the concentration camp at Oranienburgh. He then supplied them with everything they wanted and told them to forge notes of the Bank of England.

Similar treatment was planned for the United States, but the tide of battle swamped the area before printing could begin - though forgers made off with the plates.

But however good the forgeries were, they were not good enough to fool the Bank of England. For when a man named Richard Palette walked into the Bank of England five minutes before closing time and tried to cash £1,700 worth of them, he was detained. The newspaper reported: 'The Clerk had the notes checked by a method which is still a Bank of England secret'.

Palette has since disclosed names to the authorities and investigations are still going on. He said that most of the notes were hidden in Paris, Geneva, Spain and Portugal.

In 1959 10 million pounds worth of these notes were lifted from the bottom of Lake Toplitz near Salzburg, Austria. There is little doubt that had Himmler succeeded, he would have completely disrupted the economy of the country.

EARLY BANKING

Records exist of loans by the Babylon Temples as far back as 2,000 B.C., and at least one private firm, the Igibi Bank, was known to be making loans and receiving deposits circa 575 B.C. By the 4th century B.C., Greece had evolved a system of financial activities performed in the Temples, by public bodies and private firms. Their system influenced Hellenistic Egypt and Rome.

Payment into a bank to discharge a debt was recognised by Roman Law and in the 2nd Century A.D., notaries were appointed to register such transactions.

Records from Genoa and other Italian cities go back to the 12th century, but not until the 14th century does a large amount of evidence become available.

Banking developed along two lines in Europe. The Italian cities and later Bruges, Antwerp and the main towns of the Hanseatic League became centres and there also grew up the great international fairs of which Champagne is the most famous, with their own system of finance through ambulatory bankers.

When usury laws relaxed and deposit banking re-emerged in mediaeval Europe the only way of transferring credit was by oral instruction.

The first documents used appear to be the Holograph documents written by the principal and these are known to have been used in the 13th and 14th centuries. By the late 14th century, such a non-negotiable bill of exchange was firmly established.

It was left to the sedentary bankers of the Mediterranean cities to become the ancestors of modern commercial banking. Venetian bankers gave receipts for deposits, but there is no evidence to suggest that these circulated as bank notes.

ASSIGNATS

The Assignat is a form of paper money issued in France from 1789 to 1796. They were so termed as representing land assigned to the holders. They are still quite easy to obtain and cost little, yet these little notes illustrate one of the most important phases of French history - when the guillotine was in use almost as commonly as the family bread-knife.

By 1789 the financial troubles of the French Government were at an extreme. Coin was scarce, loans were not taken up, and taxes had ceased to be productive. The country was threatened with imminent bankruptcy.

In an attempt to forestall disaster the assignats were issued to provide a substitute for coin. Originally they were intended to be mortgage bonds on the national lands. Lands which comprised the church property confiscated on the motion of Mirabeau by the Constituent Assembly on November 2nd 1789, and the crown lands which had been taken over by the nation on October 7th of the same year.

The assignats were first to be paid to the creditors of the State. With these the creditors could purchase national land and for this purpose, the assignat had preference over other forms of money.

The first issue was of 4,000,000,000 francs, each note being for 100 francs and bearing interest at the rate of 5 per cent. In 1790 interest was reduced to 3 per cent and a second issue of 800,000,000 francs was issued carrying no interest; and these by law were to be accepted as legal tender.

Had the system stopped there, as advocated by Mirabeau, there is no reason why the notes should not have been successful, but further issues brought the total up to 3,750,000,000. Instant depreciation followed, a 100 note franc being worth 20 franc of coin.

Protective legislation was made giving as much as 20 years imprisonment for traders who differentiated between goods sold for coin as against assignats. These rather severe measures were relaxed on the fall of Robespierre.

The assignat continued to decline till the proportion to specie was six to one.

By June of 1794 a total of 8,000,000,000 francs had been issued of which only 2,464,000,000 had been returned to the Treasury. By 1796 issues brought the total to 45,500,000,000 and now numerous counterfeits began to appear.

The assignat became completely worthless.

HOW YOU CAN HELP

There are undoubtedly thousands of people who would enjoy forming collections of banknotes if they only knew how to go about it. You can help popularise the hobby quite easily. If there is a philatelic or numismatic club in your district get the Secretary to let you put on a display of banknotes at their next exhibition.

This way the public can see for themselves. There is little difficulty in linking up a display of banknotes with numismatics. With philately some interesting displays can be made by banknotes with a definite philatelic angle. The early fractional currency of U.S.A., the Russian stamp money and so on.

POSTAL AUCTIONS: The Society will run postal auctions just as frequently as members contribute notes for auction. If you have any, singly or in batches, send them along to C. Narbeth, Mayfield, Kirby Road, Walton-on-the-Naze, Essex, England. Give your reserve price if you wish to place a reserve on them.

Plenty of time will be allowed for bids to be made. The highest bidder will take the item and a five per cent charge will be made to assist with the Society's postage costs, which are likely to be heavy.

The auctions will be run to the principle that if there is a dissatisfied customer he will have his money returned wherever possible. Should a dispute arise, however, then a Committee of Senior Members will investigate the case and their decision shall be final.

MAGAZINE: Our first magazine is naturally a very modest affair. But there is no reason why, when membership increases, and the hobby becomes generally more popular, we should not produce a more regular magazine. Articles and information are always welcome. Later it may be possible for the Society to pay for articles, but at the moment we must ask for them as a favour.

EXPERTIZING COMMITTEE: One valuable service to Members is the formation of a Committee who will identify Members' notes free of charge. Those wishing to take advantage of this service should enclose postage stamps to cover costs of mailing. Dr. W. Loeb heads the Committee. His address is 4568, East Mercer Way, Mercer Island, Wash., U.S.A. World War II, Russia, Poland and Baltic States notes can be identified by Mr. D. Atsmony, 3, Hakerem Street, Tel Aviv, Israel.

INTERNATIONAL BANKNOTE SOCIETY POSTAL AUCTION

Number 1

Reply to C. Narbeth, Mayfield, Kirby Road,
Walton-on-Naze, Essex, England.

All bids to be in by 20th September.

Conditions. Crisp-new; Ex-Fine, practically new perhaps slightly bent corner; Very fine-has circulated but is clean and attractive; Fine-has circulated and shows wear; Fair-not really a very good piece; Poor-poor, and will not be included unless rare. Estimated values are given to help new collectors and do not set out to be particularly accurate. Sterling and dollar valuations given are kept to the nearest 1/- if it is only a matter of a cent or two difference.

	Condition	Est. Value
1. 1 Lir . Italy, State Bank, 1944	Crisp	0.10 9d.
2. 100 Mark. Allierte Militarbehorde (Russia)	Fine	3.50 25/-
3. 50 Mark. Allierte Militarbehorde (British)	Fair	2.25 16/-
4. 1 Gulden. Zilverbon, Nederland.1938 Oct.1.	Fine	0.25 2/-.
5. 10 Pesos. Phillipines. Jap Occupation	Fine	0.25 2/-.
6. 5 Won. North Korea. Two Workers. 1947	Fine	0.10 9d.
7. 1 Yen. Japanese (Brid)	V Fine	0.10 9d.
8. 2 Cruzeiros. Brasil. Duque de Caxias	Crisp	0.10 9d.
9. 1 Boliviano. Bolivia. Emision 1952	Crisp	0.10 9d.
10. 1 Centavo. Jap. Occ. Phillipines	Crisp	0.15 1/-d
11. Tizmillio Pengo. Hungary Keller 27	Crisp	0.25 2/-d
12. 100,000 Mark Reichsbanknote. 1 Feb.1923	Ex.F.	0.35 2/6d
13. 50 Drachma. Greece Keller 41	Crisp	0.50 4/-.
14. 200 Mil. Drachma. Greece Keller 21	Ex.F	0.25 2/-.
15. 500 Thousand Drachma. Greece Keller 21	Fine	0.10. 9d.
16. 2 Lire A.M.C. Italy 1943 Series	V. Fine	0.15 1/-.
17. 10 notes of Greece (war issues)	F to EF	1.12 8/-.
18. 10 notes of Italy	Fair to VF	0.70 5/-.
19. 20 notes of Europe	F to VF	1.12 8/-.
20. 4 notes of Algeria	Fair to VF	0.56 4/-.
21. 20 notes of France. incl. current 5 francs do		1.40 10/-
22. 500 Francs of France Bank of France June 9.1938	Fine	1.25 9/-.
23. 10 notes of Finland	Fine to EF	1.00 7/6.
24. Russia. Workers of the World Unite in all languages. 10,000 roubles 1919	Fine	1.00 7/6.
25. 15 Russian Notes	Fair to EF	1.40 10/-
26. 6 notes of Latvia, Estonia etc.	Fair to VF	0.40 3/-.
27. 6 Chinese Large notes	F to EF	0.98 7/-.
28. 14 Notes, mixed	VF	0.42 3/-

BEGINNERS

Do not think that collecting banknotes is an expensive hobby. Of course it can be, you can pay 10,000 dollars for a single note without much trouble, but at the same time you can buy 300 different notes for as little as thirty shillings.

The main question that troubles beginners seems to be , 'Where shall I get them?' Well, there are now two organisations that you can join, this Society and the World Paper Money Club, run by Mr. D. Musser of Box 428, Indian Rocks Beach, Florida, U.S.A. The latter issues a directory of Members which contains people from most parts of the world, all of whom are only too pleased to correspond with you - otherwise they would not have let their names go into the directory. This Society will shortly be issuing its Directory of Members.

You will then have access to all the serious collectors in the world.

From time to time this magazine will list various dealers whom the Society considers to be fair and reasonably priced. If anyone is leaping at the collar to start, try Dr. A. Keller whose address appears elsewhere in this magazine. He can also supply many books on the subject, and himself writes the authoritative works on German paper money.

There are two important British Dealers' magazines. Spink and Son, Ltd., 'Numismatic Circular', 5,6,7, King Street, St. James's, London, S.W.1., and B.A. Seaby of 65, Great Portland Street, London, W.1. The former already contains articles from time to time on banknotes and quite often lists notes for sale, including some of the great rarities. It is hoped that Seaby's will shortly be devoting attention to the banknote side of numismatics as well. Both are reputable firms.

Remember that it is far more important to have a few notes in your collection in perfect condition than it is to have a lot of notes in bad condition.

Housing your collection is another problem. There are many ways. Perhaps one of the cheapest and at the same time most attractive, is the use of loose-leaf stamp albums.

Use photo-corners to fix the notes in and a mapping pen and indian ink to 'write up'. Half of the fun of collecting anything is to make them as attractive as possible to show to other people.

By using loose-leaf albums it will make it easy later on, to take out sheets of banknotes to enter into displays.

NEXT ISSUE

It is hoped that our next issue will be a larger magazine.

We are pleased to announce that Mr. R.H.M. Dolley of the Coins and Medals Department, British Museum, is writing especially for us an article on Leather Money, in which he examines the historical evidence and disposes of a few myths.

Also in our next issue we hope to contain an article by Mr. J. Lawrence of South Africa on South African banknotes.